

AMENDED IN ASSEMBLY MARCH 21, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 717

Introduced by Assembly Member Chávez

February 21, 2013

~~An act to amend Section 999.51 of the Military and Veterans Code, relating to veterans.~~ *An act to amend Sections 66.5 and 72 of, to add Section 73.4 to, and to repeal Section 69.5 of, the Military and Veterans Code, relating to veterans.*

LEGISLATIVE COUNSEL'S DIGEST

AB 717, as amended, Chávez. ~~Nonprofit veteran service agencies.~~ *Veterans.*

(1) Existing law establishes the California Veterans Board, composed of 7 members with specified qualifications who are appointed by the Governor and subject to the confirmation of the Senate, to determine the policies for all operations of the Department of Veterans Affairs.

This bill would require the board to instead serve as an advisory body to the Secretary of the Department of Veterans of Affairs. This bill would also eliminate certain qualifications to be a member of the board, and require every board member to be a member in good standing with a congressionally chartered veteran service organization.

(2) Existing law requires the board to annually report to the Legislature regarding the activities, accomplishments, and expenditures of the board.

This bill would repeal this requirement.

(3) Existing law sets forth the duties of the secretary and the board with regard to the administration of the department to benefit California veterans.

This bill would require the secretary and the board to each seek to confer with the California State Commanders Veterans Council at least twice per calendar year on issues affecting California veterans.

~~Existing law allows a nonprofit veteran service agency, as defined, to be eligible for certification as a small business, as described, and be granted a small business bid preference, provided certain requirements are met.~~

~~This bill would make a nonsubstantive change to that provision.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 66.5 of the Military and Veterans Code
2 is amended to read:

3 66.5. (a) ~~One~~Every member of the board shall have substantial
4 training or professional expertise in mortgage lending and real
5 estate finance ~~be a member in good standing with a congressionally~~
6 chartered veteran service organization.

7 (b) ~~One other member of the board shall have substantial training~~
8 or professional expertise in geriatrics, gerontology, or long-term
9 care.

10 (c) ~~One member of the board shall have an accounting or~~
11 auditing background, and preferably shall be a certified public
12 accountant.

13 (d) ~~One member of the board shall have a degree in health care~~
14 administration or shall have experience in the financial
15 management of health care facilities.

16 (e)

17 (b) One member of the board shall have substantial training,
18 professional knowledge, or experience in the issues faced by female
19 veterans which may include, but are not limited to, the following
20 issues:

21 (1) Combat-related disorders.

22 (2) Sexual trauma.

23 (3) Homelessness.

24 (f)

25 (c) Nothing in this section shall be construed to prohibit any
26 member of the board from serving the remainder of his or her term.

1 ~~(g) The first vacancy in the membership of the board, that occurs~~
2 ~~after the enactment of the act adding this subdivision and does not~~
3 ~~require the training or expertise required by subdivision (a) or (b);~~
4 ~~shall be filled by the appointment of a member who meets the~~
5 ~~criteria required by subdivision (c).~~

6 *SEC. 2. Section 69.5 of the Military and Veterans Code is*
7 *repealed.*

8 ~~69.5. The board shall report to the Legislature by October 1 of~~
9 ~~each year regarding the activities, accomplishments, and~~
10 ~~expenditures of the board during the preceding fiscal year. The~~
11 ~~report shall be prepared in sufficient detail so that Members of the~~
12 ~~Legislature may clearly understand the activities, accomplishments,~~
13 ~~and expenditures of the board that occurred during the report~~
14 ~~period.~~

15 *SEC. 3. Section 72 of the Military and Veterans Code is*
16 *amended to read:*

17 ~~72. The California Veterans Board shall determine the policies~~
18 ~~for all operations of the department serve as an advisory body to~~
19 ~~the secretary.~~

20 *SEC. 4. Section 73.4 is added to the Military and Veterans*
21 *Code, to read:*

22 *73.4. The secretary and the board shall each seek to confer*
23 *with the California State Commanders Veterans Council at least*
24 *twice per calendar year on issues affecting California veterans.*

25 ~~SECTION 1. Section 999.51 of the Military and Veterans Code~~
26 ~~is amended to read:~~

27 ~~999.51. (a) A nonprofit veteran service agency shall be eligible~~
28 ~~for certification as a small business under the Small Business~~
29 ~~Procurement and Contract Act, as described in Chapter 6.5~~
30 ~~(commencing with Section 14835) of Part 5.5 of Division 3 of~~
31 ~~Title 2 of the Government Code, and may be granted a small~~
32 ~~business bid preference if it meets all of the following conditions:~~

33 ~~(1) The goods or services meet the specifications and needs of~~
34 ~~the purchasing agency.~~

35 ~~(2) The goods or services are purchased at a fair and reasonable~~
36 ~~price, as determined by the appropriate state or local agency.~~

37 ~~(3) The nonprofit veteran service agency complies with all of~~
38 ~~the following requirements:~~

39 ~~(A) The nonprofit veteran service agency shall employ veterans~~
40 ~~receiving services from the nonprofit veteran service agency for~~

1 not less than 75 percent of the person-hours of direct labor required
2 for the production of goods and the provision of services performed
3 pursuant to a contract under this section.

4 (B) The nonprofit veteran service agency agrees to make those
5 elections permitted of any nonprofit corporation under the Federal
6 Insurance Contributions Act (26 U.S.C. Sec. 3103 et seq.) and the
7 Unemployment Insurance Code in order to provide social security
8 and unemployment and disability benefits for its employees;
9 commencing with its first contract or purchase order under this
10 section and continuing thereafter. In the event that the nonprofit
11 veteran service agency ceases to provide those benefits, any
12 existing contract or purchase order under this section with the
13 nonprofit veteran service agency is terminated and no further
14 contracts or purchase orders shall be awarded to that nonprofit
15 veteran service agency for the period of two years after the
16 nonprofit veteran service agency ceases to provide the benefits.

17 (C) The nonprofit veteran service agency does not commit any
18 unfair labor practices, as defined in the National Labor Relations
19 Act, at Section 158 of Title 29 of the United States Code.

20 (D) The nonprofit veteran service agency abides by the
21 provisions of the federal Fair Labor Standards Act of 1938 (29
22 U.S.C. Sec. 201 et seq.), the Walsh-Healy Public Contract Act (41
23 U.S.C. Sec. 35 et seq.), and the regulations of the Department of
24 Industrial Relations (8 Cal. Code Regs. 1 et seq.).

25 (b) For purposes of this section, all of the following shall apply:

26 (1) “Nonprofit veteran service agency” means a
27 community-based organization that meets the following
28 requirements:

29 (A) It is exempt from tax under Section 501(c)(3) of the Internal
30 Revenue Code.

31 (B) Its principal purpose is to provide housing, substance abuse,
32 case management, and employment training services for
33 low-income veterans, disabled veterans, or homeless veterans and
34 their families.

35 (2) “Direct labor” includes all work required for preparation,
36 processing, and packing of a good, or work directly relating to the
37 performance of a service, excluding supervision, administration,
38 inspection, and shipping.

1 ~~(3) A veteran receiving services from the nonprofit veteran~~
2 ~~service agency shall be considered an employee when performing~~
3 ~~productive work.~~

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